

RECORDATION NO. 21658 FILED

LAW OFFICES

ROSS & HARDIES

SEP 21 '98

10-35 AM

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE

CHICAGO, ILLINOIS 60601-7567

312-558-1000

WRITER'S DIRECT LINE: (312) 750-8655

WRITER'S EMAIL: susan.lichtenfeld@rosshardies.com

TELECOPIER
312-750-8600

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK, NEW YORK 10022-3219
212-421-5555

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08873
732-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

SUSAN G. LICHTENFELD

September 18, 1998

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
The Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 704

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Memorandum of Railcar Equipment Lease, dated as of September 8, 1998 (the "Memorandum of Lease"), between JAIX Leasing Company ("Lessor") and Wisconsin Public Service Corporation ("Lessee"), which Memorandum of Lease is a primary document as defined in the Commission's Rules for the Recordation of Documents. The Memorandum of Lease relates to that certain Railcar Equipment Lease, dated as of September 8, 1998 (the "Lease") and Rider 1 to the Lease, dated as of September 8, 1998, between Lessor and Lessee.

The names and addresses of the parties to the enclosed Memorandum of Lease are:

Lessor: JAIX Leasing Company
980 North Michigan Avenue
Suite 1000
Chicago, Illinois 60611

Mr. Vernon A. Williams
September 18, 1998
Page 2

Lessee: Wisconsin Public Service Corporation
700 N. Adams
P.O. Box 19002
Green Bay, Wisconsin 54307-9002

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Lease.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Primary Document to be Recorded

Memorandum of Lease Agreement, dated as of September 8, 1998 between JAIX Leasing Company, as Lessor, and Wisconsin Public Service Corporation, as Lessee, covering 125 rebuilt steel quad hopper coal cars.

Very truly yours,


Susan G. Lichtenfeld

SGL/vgc
w/encl.

cc: Robert W. Kleinman
Joseph A. McQuade

SEP 21 '98

10-35AM

MEMORANDUM OF RAILCAR EQUIPMENT LEASE

THIS MEMORANDUM OF RAILCAR EQUIPMENT LEASE dated as of this 8th day of September, 1998, is made by Wisconsin Public Service Corporation, a Wisconsin corporation, with an address at 700 N. Adams, Green Bay, Wisconsin 54307 (the "Lessee"), and JAIX Leasing Company, a Delaware corporation, with an address at 980 North Michigan Avenue, Suite 1000, Chicago, Illinois 60611 (the "Lessor" and, together with the Lessee, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee entered into that certain Railcar Equipment Lease (the "Lease") dated as of the date hereof covering the equipment listed on Schedule 1 hereto (the "Equipment");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

WISCONSIN PUBLIC SERVICE CORPORATION

By: Charles A. Schrock
Name: Charles A. Schrock
Title: Vice President-Energy Supply

JAIX LEASING COMPANY

By: Edward J. Winkler
Name: Edward J. Winkler
Title: President

STATE OF WISCONSIN)
) SS:
COUNTY OF Brown)

On this 10th day of September, 1998 before me personally appears Charles A. Schrock, to me personally known, who by me duly sworn, says that he/she is the Vice President - Energy Supply of WISCONSIN PUBLIC SERVICE CORPORATION (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Jeanne M. Ferris
Notary Public

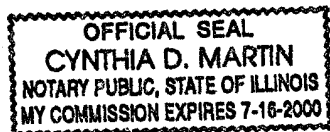
[SEAL]

My Commission expires: June 13, 1999

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 17th day of September, 1998 before me personally appears Edward J. Whalen, to me personally known, who by me duly sworn, says that he/she is the PRESIDENT of JAIX LEASING COMPANY (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



[SEAL]

My Commission expires:

Cynthia D. Martin
Notary Public

SCHEDULE 1
TO THE MEMORANDUM OF RAILCAR EQUIPMENT LEASE
DATED AS OF SEPTEMBER 8, 1998

EQUIPMENT

125 rebuilt steel quad hopper coal cars marked WPSX 1201 through WPSX 1325 (both inclusive)